

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

BANDANNA ENERGY LIMITED

ABN

34 009 356 665

Quarter ended ("current quarter")

30 June 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(5,670)	(19,219)
(b) development	-	-
(c) production	-	-
(d) administration	(2,894)	(8,572)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2,520	5,735
1.5 Interest and other costs of finance paid	-	(495)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(6,044)	(22,551)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(52)	(8,879)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	11	11
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	96	278
Net investing cash flows	55	(8,590)
1.13 Total operating and investing cash flows (carried forward)	(5,989)	(31,141)

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1.13	Total operating and investing cash flows (brought forward)	(5,989)	(31,141)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	101,264
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	Funding of Wiggins Island Coal Export Terminal (WICET) Feasibility Costs	-	(356)
	WICET Preference Capital Subscription Payment	-	(20,117)
	Payments for Capital Raising	-	(3,769)
	Proceeds of Senex & Drillsearch Share sale	-	2,746
	Net financing cash flows	-	79,768
	Net increase (decrease) in cash held	(5,989)	48,627
1.20	Cash at beginning of quarter/year to date	120,907	66,291
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	114,918	114,918

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	338
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments to Directors (per 1.23) in accordance with contracts \$267k and consulting services \$71k.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	12,800
4.2 Development	-
4.3 Production	-
4.4 Administration	4,700
Total	17,500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	40,326	47,143
5.2 Deposits at call	74,592	73,764
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	114,918	120,907

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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	nil		
6.2	Interests in mining tenements acquired or increased	nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference			
	+securities (<i>description</i>)			
7.2	Changes during quarter	nil		
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	528,481,199	528,481,199	
7.4	Changes during quarter	nil		
	(a) Increases through issues: Exercise of options			
	(b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities			
	(<i>description</i>)			
7.6	Changes during quarter	nil		
	(a) Increases through issues			
	(b) Decreases through securities matured, converted			
7.7	Options (<i>description and conversion factor</i>)		<i>Exercise price</i>	<i>Expiry date</i>
	Executive Options			
	Executive Options Exercisable once the Company's share price has increased to at least \$1.20 during the exercise period	409,000	74.5cents	1/3/2013
	Executive Options Exercisable once the Company's share price has increased to at least \$1.60 during the exercise period	438,000	74.5 cents	1/3/2013

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Executive Options Exercisable once the Company's share price has increased to at least \$1.50 during the exercise period	538,000		74.5 cents	21/6/2013
Executive Options Exercisable once the Company's share price has increased to at least \$2.00 during the exercise period	621,000		74.5 cents	21/6/2013
Executive Options Exercisable once the Company's share price has increased to at least \$1.50 during the exercise period	1,103,000		74.5 cents	12/11/2012
Executive Options Exercisable once the Company's share price has increased to at least \$2.00 during the exercise period	1,283,000		74.5 cents	12/11/2012
Executive Options Exercisable once the Company's share price has increased to at least \$1.00 during the exercise period	1,197,000		74.5 cents	12/11/2012
Executive Options Exercisable once the Company's share price has increased to at least \$1.20 during the exercise period	1,282,000		74.5 cents	12/11/2012
Executive Options Exercisable once the Company's share price has increased to at least \$1.20 during the exercise period	245,000		74.5 cents	11/10/2013
Executive Options Exercisable once the Company's share price has increased to at least \$1.60 during the exercise period	261,000		74.5 cents	11/10/2013
Executive Options Exercisable once the Company's share price has increased to at least \$1.50 during the exercise period	188,000		74.5 cents	3/11/2013
Executive Options Exercisable once the Company's share price has increased to at least \$1.60 during the exercise period	189,000		74.5 cents	3/11/2013
Executive Options Exercisable once the Company's share price has increased to at least \$2.00 during the exercise period	80,000		144.5 cents	17/01/2013
Executive Options Exercisable once the Company's share price has increased to at least \$2.20 during the exercise period	145,000		164.5 cents	1/03/2014
Executive Options Exercisable once the Company's share price has increased to at least \$2.60 during the exercise period	146,000		164.5 cents	1/03/2014
Executive Options Exercisable once the Company's share price has increased to at least \$1.10 during the exercise period	1,932,000		74.5 cents	1/12/2014

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	Executive Options Exercisable once the Company's share price has increased to at least \$1.10 during the exercise period	2,308,397		74.5cents	1/6/2015
	Executive Options Exercisable once the Company's share price has increased to at least \$1.10 during the exercise period	1,813,740		74.5 cents	1/6/2015
7.8	Issued during quarter Executive Options Exercisable once the Company's share price has increased to at least \$1.10 during the exercise period	4,122,137		74.5 cents	1/6/2015
7.9	Exercised during quarter	nil			
7.10	Expired during quarter	nil			
7.11	Debentures (<i>totals only</i>)				
7.12	Unsecured notes (<i>totals only</i>)				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:

(Director/Company secretary)

Date: ...31st July 2012

Print name: .Michael Gray.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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